

***United States Court of Appeals
for the Second Circuit***



**APPELLANT'S
REPLY BRIEF**

ORIGINAL

**Nos. 76-7225,
76-7231**

IN THE
United States Court of Appeals
FOR THE SECOND CIRCUIT

AMERICAN DEFENDS COMPANY, INC., and U.S. NUTRI-
TION PRODUCTS CORP.

Plaintiffs-Appellees and Cross-Appellants,

PLUS PRODUCTS,

Defendant-Appellant.

Appeal From the District Court of the United States for the
Southern District of New York.

Honorable Kevin Thomas Duffy, Judge.

**REPLY BRIEF ON BEHALF OF
PLUS PRODUCTS, DEFENDANT-APPELLANT.**

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Plaintiffs-Appellees and Cross-Appellants,

vs.

PLUS PRODUCTS,

Defendant-Appellant.

Appeal From the District Court of the United States for the
Southern District of New York.

Honorable Kevin Thomas Duffy, Judge.

**REPLY BRIEF ON BEHALF OF
PLUS PRODUCTS, DEFENDANT-APPELLANT.**

Introduction.

In the main Plus Products relies upon its opening brief to answer the points raised in American Diet aids' brief. Those few areas in which further briefing appears warranted are discussed hereafter. A recent decision of the Patent and Trademark Office Trademark Trial and Appeal Board is attached at the end of this brief.

**Reply to American Diet aids' Denial of
Unclean Hands.**

The Keystone holding in the trial Court's opinion appears to be that of laches on the part of Plus Products (Appendix 36-48). The holding of laches

permeates the entire decision. The holding of laches is believed to be in error by reason of the extension of *United States v. Park*, 421 U.S. 658, 44 L.Ed.2d 489, 95 S.Ct. 1903, 1911 (1975) to the law of trademarks. Plus Products asserts that this holding of laches is in error because American Dietaids has unclean hands with regard to the trademarks in issue so that it should be denied the equitable defense of laches. American Dietaids has unclean hands because it has breached its affirmative duty to implement measures which will insure that misbranding will not occur. In this regard American Dietaids has admittedly done nothing to verify the truthfulness of its claim to "all natural" except to rely upon the alleged guarantees of its suppliers. Plus Products also contends that American Dietaids has unclean hands because it has misbranded its products. The trial Court held that misbranding had not been proven. The trial Court did not consider the question of American Dietaids' breach of its affirmative duty.

The essence of American Dietaids' reply to Plus Products' charge of unclean hands appears to be as follows: Plus Products has impliedly admitted that American Dietaids has acted in good faith in relying on its suppliers' guarantees; Plus Products must prove a violation of the Food, Drug and Cosmetics Act (Title 21) by misbranding in order to support its charge of unclean hands; Plus Products could have proven misbranding by conducting an analysis of the vitamin C content and did not; *United States v. Park*, 421 U.S. 658, 44 L.Ed.2d 489, 95 S.Ct. 1903 (1975) does not apply because American Dietaids had no prior knowledge of and was not warned of any mis-

branding; even if misbranding be proven, it is so remote from the present issue that it would not serve to strip American Dietaids of its defense of laches; American Dietaids was surprised at trial by the charge of misbranding; and Plus Products has misread the Food, Drug and Cosmetics Act in that Puerto Rico is not a Territory as defined therein; so American Dietaids is entitled to rely upon the guarantee of its suppliers as to the naturalness of its raw materials.

Plus Products specifically and vigorously denies that it had admitted, impliedly or otherwise, that plaintiff has acted in good faith in reliance upon its suppliers' alleged guarantees of naturalness. American Dietaids cannot rely in good faith upon its suppliers' alleged guarantees of naturalness because American Dietaids is a manufacturer who compounds various raw materials into a finished product [Rp. Tr. 94-95]. The suppliers' guarantees, if any exist, apply only to the raw materials. It is the finished product which American Dietaids introduces into commerce and which bears on its label the representation that it is "all natural." The alleged guarantee does not relate to the identical product placed in commerce by American Dietaids. A guarantee affords no defense to a charge of misbranding where the guarantee relates only to a constituent used by a manufacturer in making the product which it introduces into commerce, *United States v. Mayfield*, 177 Fed. 765, 768-769 (D.C.Ala. 1910); *United States v. Crown Rubber Sundries Co.*, 67 F. Supp. 92, 93-94 (D.C.Ohio 1946). The fact that the manufacturer who introduces a product into commerce may not or does not know of and has had no warning of the facts which give rise to the misbranding is no defense because the law imposes strict responsibility

on a manufacturer even in the absence of awareness of some wrongdoing or conscious fraud, *United States v. Park*, *supra* at 672-673. A manufacturer is held to the highest standards of foresight and vigilance, *United States v. Starr*, 535 F.2d 512, 515 (9th Cir. 1976), even though these requirements

"... are beyond question demanding, and perhaps onerous, but they are no more stringent than the public has a right to expect of those who voluntarily assume positions of authority in business enterprises whose services and products affect the health and well-being of the public that supports them." *United States v. Park*, *supra* at 672.

It now is admitted that American Diet aids could have but did not test to determine the truthfulness of its "all natural" claims (American Diet aids' Brief, p. 25). Beyond reliance on its suppliers' alleged guarantees of naturalness, American Diet aids has done nothing to assure the truthfulness of its oft repeated label claims to being "all natural" even though this claim is the crucial original circumstance which guides the purchaser of the product, *Manhattan Medicine Co. v. Wood*, 108 U.S. 218, 27 L.Ed. 706 (1882), and one from which American Diet aids' business has grown and is dependent upon, *Worden & Co. v. California Fig Syrup Co.*, 187 U.S. 516, 47 L.Ed. 282 (1903); *Gynex Corporation v. Dilex Institute of Feminine Hygiene*, 85 F.2d 103, 106 (2nd Cir. 1936).^{*}

The foregoing analysis of food and drug law under Title 21 is not offered to show that American Diet aids has violated that Act but rather to deny plaintiff's assertion that defendant has admitted plaintiff's good

faith in relying on its suppliers' alleged protocols. This analysis also illuminates the nature and extent of the affirmative duty which was announced in *United States v. Park, supra*.

Even if guarantees covering its raw materials do exist, American Dietaids could not discharge its affirmative duty by reliance thereon because such guarantees would not and could not apply to the exact product which American Dietaids introduces into commerce. American Dietaids has done nothing else to discharge its affirmative duty. It seems clear that American Dietaids has therefore breached its affirmative duty to insure that misbranding does not occur. The question remains, what are the consequences of such a breach to the trademarks which are directly and intimately involved in that breach?

An unbroken chain of trademark decisions extending from a time long prior to the enactment of the first Federal Food and Drugs Act of June 30, 1906 (34 Stat. 768) holds that all equitable relief will be denied with regard to a trademark which has been used in association with a misbranded product, *Manhattan Medicine Co. v. Wood, supra*; *Worden & Co. v. California Fig Syrup Co., supra*; *Morton Salt Co. v. G. S. Suppiger Co.*, 314 U.S. 488, 86 L.Ed. 363 (1941); *Renaud, Inc. v. Davis*, 35 F.Supp. 622, 47 U.S.P.Q. 337 (D.C.Mass. 1940); *Strey v. Devine's, Inc.*, 217 F.2d 187, 103 U.S.P.Q. 289 (7th Cir. 1954); and *Gynex Corp. v. Dilex Institute of Feminine Hygiene*, 85 F.2d 103 (2nd Cir. 1936).

The Patent and Trademark Office follows the rule that unlawful usage of a trademark in commerce by reason of misbranding does not create any trademark

rights which can be recognized by registration on the Federal Register of Trademarks, *In re Stellar International, Inc.*, 159 U.S.P.Q. 48, 51 (1968); *In re Cook, United, Inc.*, 188 U.S.P.Q. 284, 288 (T.T. Ap. Bd., 1975); *Coahoma Chemical Co., Inc. v. Smith*, 113 U.S.P.Q. 413, 418 (Comr. Pat. 1957); *Clairol, Inc. v. Holland Hall Products, Inc.*, 165 U.S.P.Q. 214, 218 (T.T. Ap. Bd. 1970).

The trademark laws are a very fundamental and important part of the safety net of protection which is erected around the consumer whenever he ventures into the marketplace. The trademark laws have in the past operated in harmony with the food and drug laws to protect the consumer by encouraging compliance with the food and drug law. The trademark laws are uniquely suited to operating in aid of the food and drug laws. Criminal sanctions are not in issue; so the burden of proof is not as great as in a prosecution under the food and drug laws. The trademark often serves as the key by which access is gained to the marketplace and which enables the commission of the violation of the food and drug laws. Competitors tend to police one another under the trademark laws whereas the Federal government must bring any enforcement action under the food and drug laws.

Withholding equitable relief from any trademark which is involved in a breach of the affirmative duty announced in *United States v. Park*, *supra*, will greatly encourage voluntary fulfillment of that duty.

The effect of American Dietaids' argument that Puerto Rico is not a Territory within the meaning of the food and drug laws is to expand the numbers of food and drug manufacturers to whom the affirma-

tive duty to insure against violations applies. While it may be of some comfort to American Dietaids to find that it shares the affirmative duty with a large number of other manufacturers, this does not in any way relieve American Dietaids of its own individual affirmative duty. As noted above, its position as a manufacturer who compounds its products from various raw material strips it of any possible good faith reliance upon its suppliers' alleged guarantees.

Plus Products has been unable to find any decisions in point on the question of whether the definition of a Territory as it appears in 27 U.S.C. 321(a) is applicable to the exceptions set forth in 21 U.S.C. 333(c)(1) and (2). It is clear that these exceptions are in opposition to the general statutory scheme and as such should be strictly construed, *United States v. American Stores Company*, 183 F.Supp. 852, 857 (D.C.Md. 1960). In any event, regardless of whether Plus Products has misread Title 21, American Dietaids cannot discharge its affirmative duty by reliance upon its suppliers' guarantees because it is not within the class of persons to whom the exceptions of 21 U.S.C. 333(c) apply.

Plus Products chose to offer proof of misbranding in the form of economic testimony in the belief that the market structure for the raw materials was such that obviously American Dietaids could not be using all natural vitamin C and still make a profit at the prices it charges for its products. That American Diet-
aids does make a profit even on discount sales is admitted [Rp. Tr. 85-86]. Plus Products could have undertaken proof of misbranding in a number of different ways including bringing in the testimony of raw

materials suppliers as well as offering testimony concerning an analysis of the products of American Dietaids. American Dietaids claims surprise at trial with regard to the economic testimony which was offered to prove misbranding. American Dietaids continues to proclaim loudly that it is disadvantaged by having been surprised at trial. This is so even though the trial Court found that Plus Products' economic evidence was not sufficient to prove misbranding.

American Dietaids has assumed conflicting positions with regard to the question of surprise. It protests the unfairness of the surprise evidence of misbranding at trial while at the same time strongly urging as its principal point in its cross-appeal an allegation of fraud which was not made until after the trial was concluded. At least American Dietaids' surprise, if it was such, occurred at the trial rather than post trial. No party is in a position to claim surprise with regard to advances in the law such as that represented by *United States v. Park, supra*. The *Park* case was not decided until after the trial of the present action.

Infringement.

Most of American Dietaids' brief insofar as it relates specifically to infringement is in reply to Plus Products' opening brief. Plus Products will, with the exception of the following few points, rely on its opening brief as regards infringement.

The mark "PLUS" is the glue which holds American Dietaids' product line together as a family.

The common denominator of American Dietaids' line of sixteen "PLUS" suffix marked products is the mark "PLUS". Each individual one of these sixteen products

bears a different prefix which is purely descriptive of that individual product.

That American Dietaids does consider that it has a family of products and that having a family image is of value to it stands admitted (Plus Products' Open. Brief 30). To deny that PLUS is not the dominant part of each one of American Dietaids' sixteen "PLUS" suffix marked products is directly contrary to the admitted fact that the family of products exists.

The trial Court found that the parties were not in competition prior to 1960 when Plus Products entered the retail stores (Appendix 38, 40). This was the key point in holding that American Dietaids' adoption of its "PLUS" suffix marks was in good faith. This finding was argued to be contrary to and unsupported by the evidence (Plus Products' Open. Brief 32-39). American Dietaids has not in any way denied that this finding of no competition was contrary to and unsupported by the evidence.

But for the strength of this word "PLUS" as a trademark American Dietaids would never have received its registration for ACEROLA PLUS.

American Dietaids asserts in several different ways that PLUS is not the dominant part of its "PLUS" suffix marks. This position is directly contrary to the holding of the Patent and Trademark Office Trademark Trial and Appeal Board in allowing the registration of American Dietaids' ACEROLA PLUS mark over the opposition of the owner of the CEROLA and C-ROLA trademarks. In pertinent part it was held:

"That is to say, the only resemblance between the marks results from applicant's use of the generic word 'ACEROLA' but the combination 'ACE-

ROLA PLUS', because of the word 'PLUS' differs from 'CEROLA' and 'C-ROLA' in sound, appearance and impression to such an extent that purchasers or prospective purchasers are unlikely to associate one mark with the other." [Ex. H, p. 4].

The strength or weakness of the mark PLUS should not be an issue because the usage of the accused "PLUS" suffix marks directly overlaps that of the mark PLUS. There is no issue here as to how far the mark PLUS extends to cover non-identical goods. The goods are admittedly of the same descriptive character (Plus Products' Open. Brief 29-30).

**American Dietaids Cannot at This Same Time Seek
Cancellation of Plus Products' Registration and
Deny Infringement.**

American Dietaids has sought cancellation of Plus Products' registration for "PLUS." Plus Products contends that American Dietaids does not have standing to sue for the cancellation of the "PLUS" trademark registration unless it first admits trademark infringement. Plus Products relies in this regard upon the decisions of *D. M. & Antique Import Corp. v. Royal Saxe Corp.*, 311 F.Supp. 1261, 1268-1269 (S.D.N.Y. 1969); and *Aluminum Fab. Co. of Pittsburgh v. Season-All W. Corp.*, 259 F.2d 314, 317-318 (2nd Cir. 1958). In response American Dietaids argues that it is seeking cancellation because of alleged damage due to Plus Products' enforcement of rights against American Dietaids, which rights American Dietaids contends were obtained by fraud on the Patent and Trademark Office. American Dietaids denies that there is any likelihood of confusion. American Dietaids asserts that it does

not have to admit likelihood of confusion in order to have standing to sue for the cancellation of Plus Products' registered mark, relying by analogy upon *Philip Morris, Inc. v. He-Man Products, Inc.*, 157 U.S.P.Q. 200 (T.T. Ap. Bd. 1968). This case does not support American Dietaids' position. The decision of *D. M. & Antique Import Corp. v. Royal Saxe Corp.*, *supra*, is on all fours with the present situation. Under this decision if there is no infringement, American Dietaids has no standing to sue for cancellation even though American Dietaids has been charged with infringement of the mark which it seeks to cancel. The *Philip Morris* decision does not go to the question of standing to sue where the grounds asserted for standing to sue for cancellation are that the mark's owner has sought to enforce it against the party who seeks cancellation.

Plus Products specifically denies that it misrepresented its dates of first use to the Patent and Trademark Office and that it is improper to rely upon the date of first use of the composite mark for the registration of the dominant part thereof (see Plus Products' Opening Brief p. 27).

Plus Products represents to this Court that the Trademark Examiner had before him the precise labels showing the seal, the PLUS Trademark in block letters, and the word "quality" in other type style struck across the front. The specimen told him the entire story. An explanation also accompanied the specimen. With full knowledge of the facts which American Dietaids argues about, he allowed the mark to be registered. All of this appears in the file wrapper which American Dietaids did not offer.

Furthermore, when the PLUS trademark was published for purposes of opposition before registration, American Dietaids could have opposed but did not do so.

Plus Products Is Not Guilty of Fraud on the Patent Office.

American Dietaids has charged Plus Products with committing fraud on the Patent and Trademark Office in representing the date of first use of the mark "PLUS" to have been the 1941 date of when Plus Products used the trademark PLUS in a composite setting. American Dietaids asserts that because of the alleged fraud, Plus Products' trademark registration for PLUS should be ordered cancelled and the plaintiff should have its attorneys' fees in this action.

American Dietaids' charge of fraud should be rejected for several reasons.

Fraud is an affirmative defense which must be pled with particularity [F.R.C.P. 8(c), 9(b)]. Fraud was not pled and was not even mentioned at the trial. Plus Products was not aware of the charge of fraud until American Dietaids served its post trial brief.

American Dietaids has the burden of proving its charge of fraud and logic indicates that such proof should at least include evidence of what representations defendant did in fact make to the Patent and Trademark Office about the basis for its asserted date of first use. If there is such evidence it would be found in the file wrapper history of the trademark registration.

The file wrapper history is a public record, and American Dietaids could have obtained a copy and offered it in evidence just as Plus Products obtained a copy of American Dietaids' trademark registration file wrapper history and placed it in evidence here as Exhibit 1.

American Dietaids' proof of fraud should at least include proof that defendant misrepresented or withheld information concerning what usage its date of first use was based on. Every trademark application must include five specimens of the mark which is sought to be registered as that mark is actually used, Title 37 C.F.R. Section 2.56. These specimens are a part of the file wrapper history of the registered mark. What do the five specimens that were submitted with the application for Plus Products' PLUS registration show? Do they show that the trademark usage is based on the use of a composite mark? The evidence is not of record since American Dietaids failed to put the file wrapper history in evidence. Often during the prosecution of an application for trademark registration, the trademark examiner asks for further information concerning the usage of the mark for which registration is sought. Did the trademark examiner request such information in the application for registration of Plus Products' PLUS mark? If such information was requested, what information was provided to the trademark examiner? The missing file wrapper history would give the answers to these questions. The mere fact that Plus Products claimed a 1941 date of first use based on the usage of PLUS as the dominant

part of a composite mark does not establish that there was any misrepresentation to the Patent and Trademark Office. The information which appears in the trademark registration is only a summary of a part of the information which every applicant for trademark registration must submit. The specimens and exhibits which show the nature of the usage upon which the trademark rights are based as well as the explanations relating to that usage do not appear on the printed registration. American Dietaids asks this Court to find that the Patent and Trademark Office was not informed that the claimed date of first use was based on usage in a composite mark. Since Plus Products was required to make of record in the file wrapper history at least the labels upon which its claimed trademark rights were based (Title 37 C.F.R. Section 2.56) American Dietaids cannot carry its burden of proof without showing what representations Plus Products made in the file wrapper history of the PLUS registration.

There is a further indication of the similarity, in a trademark sense, between the plaintiff's plus suffix marks and the defendant's PLUS mark. American Dietaids disclaimed, in its registration for ACEROLA PLUS, the word "acerola" [Ex. 54].

PLUS is the trade name of Plus Products. PLUS dominates those instances where there was also a seal and another word. PLUS is the entire trademark of Plus Products.

American Dietaids has failed to carry its burden of proof in regard to its allegations of fraud, and

therefore Plus Products' trademark registration should not be cancelled, and American Dietaids should not have its attorneys' fees.

Other Decisions Involving PLUS.

American Dietaids has cited several Patent and Trademark Office and Court of Customs and Patent Appeals decisions in which "PROTEIN PLUS" for a breakfast cereal and "NATURE PLUS" for bread and breakfast cereal were found not to create a likelihood of confusion with regard to Plus Products' use of "PLUS" for vitamins.

The crucial distinction between these cases and the present action is to be found in the fact that the products in the "PROTEIN PLUS" and "NATURE PLUS" decisions were not of the same descriptive character as those goods to which Plus Products applied the mark "PLUS". In contrast to these decisions American Dietaids' products to which the accused marks are applied are identical in character as those products to which Plus Products applies its "PLUS" mark.

The "PROTEIN PLUS" and "NATURE PLUS" decisions may tend to show that the penumbra of protection of Plus Products' "PLUS" mark does not extend very far beyond those products to which Plus Products applies its "PLUS" mark. These decisions do not, however, apply in the present situation where the goods are identical. The Trademark Trial and Appeal Board has recently decided a matter in which the Plus suffix mark "EARTH PLUS" was applied to a line of

products which were of the same descriptive character as those products to which Plus Products applies its "PLUS" mark. There, likelihood of confusion was found. A copy of this recent decision is included at the end of this brief.

The Court's attention is respectfully called to the admonition of the Court of Customs and Patent Appeals in the opinion copied at the end of the American Dietaids' brief which expressly states, "It is not citable as a precedent".

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APPENDIX.

U.S. Department of Commerce, Patent and Trademark Office.

Trademark Trial and Appeal Board.

Plus Products v. Don Hall Laboratories.

Hearing: February 3, 1976.

Opposition, No. 55,556, to application Serial No. 434,320, filed August 31, 1972.

Beehler, Mockabee, Arant, Jagger & Bachand for Plus Products. Oliver D. Olson for Don Hall Laboratories.

Before Lefkowitz, Bogorad, and Rice, Members.

Opinion by Lefkowitz, Member.

An application has been filed by Don Hall Laboratories, doing business as Earth Plus Co., to register the notation "EARTH PLUS" as a trademark for vitamins, use of the mark since on or about May 30, 1972 being claimed.

Registration has been opposed by Plus Products, which alleges prior use and registration of the trademark "PLUS" for a variety of products including vitamins,¹ and that

"... the trademark EARTH PLUS is sufficiently related to and suggestive of PLUS with respect to connotation, meaning, imagery, and appeal in the light of current and prevailing attitudes with respect to vitamins and food supplements generally that the impression on the general public of such goods so marked is likely to cause confusion in the minds of customers when seeing the marks applied to such goods."

¹Reg. No. 789,307, issued May 11, 1965.

Applicant, in its answer, has admitted opposer's use of "PLUS" for certain of its goods including vitamins and its ownership of the pleaded registration; but applicant has denied that the trademarks "EARTH PLUS" and "PLUS", when applied to the respective goods of the parties, will likely cause confusion in trade. Affirmatively, applicant has urged that "PLUS" has been so frequently registered by others in the field as a prefix or suffix of a compound mark that opposer's "PLUS", per se, mark is not a strong mark and that applicant's mark, in which the word "PLUS" is likewise included as a suffix, is distinguishable as a whole from and registrable over the mark "PLUS".

The record consists of the pleadings; applicant's application file; a copy of opposer's pleaded registration; answers by applicant to opposer's interrogatories, request for admissions, and request for production; answers by opposer to interrogatories propounded by applicant; and affidavit testimony in behalf of opposer stipulated to by applicant in accordance with Rule 2.123(b).² Both parties have briefed the issues before us.

²It must be noted at this time that applicant referred in its answer to a number of third-party registrations identifying them by registration number and mark and by the statement that "The vast majority of the above-listed trademarks are associated with the same goods as are the trademarks of opposer and applicant." Copies of these registrations were not, however, made of record by applicant during its trial period by way of acceptable procedures provided therefor in the Trademark Rules of Practice. See: Rules 2.122(c) and 2.126. But, since opposer as well as applicant have treated them as being of record and differ only as to the probative value to be attached to them, they will be considered in evidence herein. In a similar vein, opposer filed a notice of reliance on its discovery efforts during its rebuttal period, but since applicant took no testimony, there obviously was nothing to rebut. Applicant, in turn, filed a notice of reliance on its discovery efforts after the close of its testimony period which

The record reveals that opposer and its predecessor have, since on or about 1940, continuously used the designation "PLUS" as the salient feature of their trade names and/or as a trademark in connection with the merchandising of, inter alia, an expanding line of food supplements and vitamin food products for human consumption on a nationwide basis and in the international market as well. "PLUS" products have been sold to the retail trade in relatively small bottles, boxes, and cans depending on the type of product being dispensed. The trademark "PLUS" has been used "entirely alone" on labels affixed to the containers "on substantially all occasions", but, on some occasions, it has been used in company with the word "quality" and in association with a seal indicative of quality; in addition to use of "PLUS" as a general trademark, in the late 1950's opposer started using the designation "PLUS" on most of its products in the style of "PLUS FORMULA" at the top of the label followed by a number identifying the specific product contained in the package; and, in or around 1971, labels were used whereon "PLUS" was printed in lower case type with a white cross in red background within the letter "P". "PLUS" product sales are made through jobbers, health food jobbers, food brokers, and the like to health food stores, grocery stores, and similar retail establishments. Opposer also conducts a retail mail order business. Opposer's "PLUS" products have been extensively promoted through the distribution over the

is manifestly contrary to the intent and purpose of Rule 2.120 (b). Once again, however, neither party has objected to the other's notice of reliance for the reasons indicated. Rather, each party has utilized the results thereof in furtherance of his respective position. cf. Rule 2.127(a). Accordingly, this material has been considered in resolving the issue joined by the parties.

years of a large number of product catalogues through the country³ and by advertisements in such publications as *Health Food Age*, *Let's Live*, *Health Foods Retailing*, *Better Nutrition*, *Today's Living*, and *Prevention*. During the five year period from 1970 through 1974 alone, opposer spent in excess of one and a quarter million dollars in advertising and promoting "PLUS" products which produced sales for that period in excess of fifty million dollars.

Opposer's discovery efforts reveal that a search to determine the availability of the marks "EARTH PLUS" or "PLUS", per se, for use by applicant as a trademark for vitamins was conducted during May 1972; that a large number of registered trademarks were reported as the result of the search including the mark "GOOD EARTH" but apparently not opposer's registered trademark "PLUS"; that the suffix "PLUS" in applicant's trademark "EARTH PLUS" was adopted to indicate that the natural product formulations of its goods have above average value to the consumer; and that the prefix "EARTH" in applicant's mark is intended to indicate a natural product as distinguished from a synthetic product. Applicant's first use of the mark "EARTH PLUS" in the sale of vitamins occurred on May 30, 1972, and involved an interstate shipment from applicant's place of business in Portland, Oregon to a drugstore in Vancouver, Washington. At the time that applicant filed the subject application on August 31, 1972, applicant's sales of "EARTH PLUS" vitamins had amounted to a sum in excess of sixteen and a half thousand dollars. In 1973, "EARTH PLUS" vitamin sales were well over fifty-eight thousand dollars,

³In a number of the catalogues, opposer has emphasized the slogan "Living the Plus Life."

and approximated thirty-nine thousand dollars during the first seven months of 1974. Applicant has sold the products to which the mark "EARTH PLUS" is applied in the States of California, Florida, Idaho, Oregon, and Washington to wholesalers and to retailers such as pharmacies, chain drugstores, grocery stores, and health food stores. The mark "EARTH PLUS" appears on the labels affixed to the different containers utilized by applicant, primarily in script letters, with the words "EARTH" and "PLUS" displayed in type of the same kind and size and generally in a style different from the other printing material presented thereon. Applicant's "EARTH PLUS" vitamins include vitamin E capsules and tablets, rose hip tablets, vitamin C complex capsules, multiple vitamin capsules, mineral complex with vitamin D tablets, vitamin B complex capsules, and others.⁴ Applicant's advertising efforts directed to "EARTH PLUS" have involved the distribution of a product fact sheet to its retailers for distribution to the public and through allowances and retailers who do their own local advertising. Applicant's advertising expenditures in this latter effort amounted to slightly less than one thousand dollars in 1972, almost two thousand dollars in 1973, and approximately four hundred dollars for the period from January 1, 1974 through July 31, 1974.

⁴Applicant, like opposer, markets under the mark "EARTH PLUS" products other than vitamins such as mineral tablets, Alfalfa tablets, Bone meal and Vitamin D, Cod Liver Oil capsules, Digestive Enzymes capsules, Garlic and Parsley capsules, Kelp tablets, Laxative tablets, Protein tablets, Wheat Germ Oil, Brenner's Yeast tablets, and the like. The record also contains a label for "EARTH PLUS" vitamin skin cream. Opposer's record indicates that it has marketed cosmetic preparations under the mark "PLUS" since about 1963.

Opposer's record, including its pleaded registration, is sufficient to establish use of "PLUS", per se, as a trademark since long prior to applicant's adoption and use of "EARTH PLUS" for competitive vitamin products that are sold through substantially identical retail outlets to the same general members of the purchasing public. The only question for determination herein is whether or not the sale of these products under the marks "PLUS" and "EARTH PLUS" is likely to cause confusion as to source and/or mistake as to the product desired and purchased.⁵

It is opposer's position that the term "PLUS", per se, is opposer's entire mark and "PLUS" is not descriptive of the goods of either opposer or applicant; that applicant has, in its mark "EARTH PLUS", appropriated opposer's entire mark; and that the addition thereto of the term "EARTH", which is suggestive of a natural product, is insufficient to distinguish between the marks as a whole and to avoid confusion or mistake in the trading of the products of the parties.

Applicant, on the other hand, has argued that "PLUS" is a "weak" mark entitled to but a limited scope of protection as a result of numerous trademark registrations for different products including vitamins

⁵Applicant has admitted, in answers to opposer's interrogatories, that he has known of opposer's use of "PLUS" on vitamins, minerals, and food supplement products for twenty years. This knowledge, however, is significant only if there is some doubt as to the likelihood of confusion or mistake in trade which, in any event, would be resolved in favor of the prior user. That is, if confusion or mistake in trade is reasonably likely to occur, applicant's knowledge of opposer's prior use would be of no significance. Similarly, if it is deemed that such confusion or mistake is not likely to occur, no ulterior motive or effect can be attributed to applicant's knowledge of opposer's "PLUS" products.

and related products covering marks which combine the word "PLUS" with prefix or suffix words, and that considering the nature of the term "PLUS", the addition thereto of the word "EARTH" is sufficient to avoid confusion in trade.

Opposer, in reply, has urged, in effect, that the third-party registrations cannot justify the appropriation of its "PLUS" mark or the registration sought by applicant especially where there is no evidence of use of the registered marks and where the third-party registrations set forth dates of use subsequent to opposer's use of "PLUS". Opposer, moreover, has indicated in response to applicant's interrogatories that it has filed a number of proceedings in the Office, most of which are still pending, to preclude the registration by others of marks containing the term "PLUS".

The word "PLUS" is an ordinary word of the English language possessing a readily understood meaning of "something additional or extra." *Webster's Third New International Dictionary* (1971). But, notwithstanding the suggestive character of the term, it can be inferred from the record adduced by opposer that, as a result of its registration and the presumptions afforded it under Section 7(b) of the statute and opposer's long and extensive use of "PLUS", per se, and as the salient feature of its trade name, "PLUS" is a viable trademark that serves as a recognition factor for purchasers for opposer's line of vitamins and related goods and opposer possesses a property right and protectable interest therein sufficient to preclude the registration of the same or a similar mark for like goods. See: *King-Kup Candies, Inc. v. King Candy Company*, 129 USPQ 272 (CCPA, 1961) and *Contour Chair-Lounge*

Co., Inc. v. The Englander Company, Inc., 139 USPQ 285 (CCPA, 1963). While the third-party registrations may serve to limit to some extent the scope of protection afforded opposer's mark by virtue of the fact that they show that others in the same or related fields have adopted and registered marks containing the word "PLUS" in a context that projects its meaning,⁶ they nevertheless are not controlling on whether or not the specific marks in this proceeding are in conflict. See: AMF Incorporated v. American Leisure Products, Inc., 177 USPQ 268 (CCPA, 1973) and cases cited therein. That is, each case must be determined on the basis of the marks involved and in light of the environment in which they are encountered. Thus, in the instant case, the question involves the impact that the word "EARTH" may have in combination with the word "PLUS" or, more specifically, does the addition of the word "EARTH" to "PLUS" serve to distinguish the mark "EARTH PLUS" as a whole from "PLUS", per se. We believe not in view of the admission by applicant that "EARTH" implies or denotes a natural product or, in this case, natural vitamins; that applicant's and opposer's products are essentially competitive vitamin products that are sold in the same types of retail outlets to the same classes of purchasers; and that furthermore, it is likely that all vitamin products would be displayed together side-by-side in these establishments. In this scenario, it is not unreasonable to assume that purchasers, familiar with "PLUS" vitamins, upon encountering "EARTH PLUS" vitamins, will mis-

⁶See: The Conde Nast Publications, Inc. v. Miss Quality, Inc., 184 USPQ 422 (CCPA, 1975) and Plus Products v. General Mills, Inc., USPQ (CCPA, 1976).

takenly assume that they are the natural vitamin line offered by the producers of "PLUS" vitamins.⁷ This concession is not free from doubt but the equities herein based on opposer's prior and extensive use dictate that such doubt be resolved in opposer's behalf notwithstanding the absence of evidence of actual confusion herein. In this latter regard, apart from the fact that Section 2(d) of the statute concerns itself with only the likelihood of confusion, we note that, in view of applicant's short period of use of the mark, the opportunity for actual confusion to have occurred and more important to come to the attention of the parties has been minimal.

Decision:

The opposition is sustained, and registration to applicant is refused.

/s/ S. Lefkowitz
/s/ A. Bogorad
/s/ J. E. Rice
Members, Trademark
Trial and Appeal Board

June 30, 1976.

⁷The elements that comprise this scenario are the facts that serve to distinguish this case from Plus Products v. Sterling Food Company, Inc., 188 USPO 586 (TT&A Bd., 1975) in which "NATURE PLUS" for bread and breakfast cereal was held not to conflict with "PLUS" vitamins and food supplements and fortifiers. This lends credence to the old adage that each case must be decided on its own peculiar facts.

PROOF OF SERVICE BY MAIL

I am a citizen of the United States and a resident of the City and County of Los Angeles; I am over the age of eighteen years and not a party to the within action; my business address is: 6500 Flotilla Street, Los Angeles, California.

On Sept. 16, 1976, I served the within

APPELLANT'S REPLY BRIEF in re: "American Dietetics Company vs. Plus Products", in the United States Court of Appeals for the Ninth Circuit, Nos. 76-7225, 76-7231;

on the attorneys in said action, by placing 2 copies thereof enclosed in a sealed envelope with postage fully prepaid, in the United States post office mail box at Los Angeles, California, addressed as follows:

ALAN H. LEVINE
350 Fifth Ave.
New York, New York 10001

I certify (or declare), under penalty of perjury, that the foregoing is true and correct.

Executed on Sept. 16, 1976, at Los Angeles, California

Jean Drenner

Service of the within and receipt of a copy
thereof is hereby admitted this16..... day
of September, A.D. 1976.

Proof of Service Enclosed
